

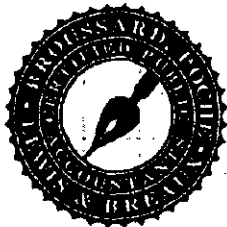
LOWER CAMERON AMBULANCE SERVICE DISTRICT
FINANCIAL REPORT
DECEMBER 31, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date JUL 25 2012

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Lower Cameron Ambulance Service District
Creole, Louisiana

We have audited the accompanying basic financial statements of Lower Cameron Ambulance Service District, a component unit of the Cameron Parish Police Jury, as of and for the years ended December 31, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the Ambulance District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lower Cameron Ambulance Service District as of December 31, 2011 and 2010, and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2012, on our consideration of Lower Cameron Ambulance Service District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

The Lower Cameron Ambulance Service District has not presented management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Lower Cameron Ambulance Service District's financial statements as a whole. The accompanying schedules of net patient service revenues and schedules of board fees are presented for purposes of additional analysis and are not a required part of the financial statements. The schedules of net patient service revenues and schedules of board fees are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Bernard, Poché, Lewis & Bynum, L.L.P.

Lafayette, Louisiana
June 27, 2012

LOWER CAMERON AMBULANCE SERVICE DISTRICT

BALANCE SHEETS
December 31, 2011 and 2010

ASSETS	<u>2011</u>	<u>2010</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 551,424	\$ 571,058
Certificates of deposits	3,186,449	3,140,555
Patient accounts receivable, net of allowance for estimated uncollectibles of \$12,758 and \$996 for 2011 and 2010, respectively	20,918	39,091
Ad valorem tax receivable, net of estimated uncollectibles of \$15,766 for 2011 and 2010, respectively	243,900	336,492
Due from other governmental agencies	1,408,302	1,083,798
Other receivables	92,418	94,851
Prepaid expenses	42,237	49,904
Inventories	<u>10,767</u>	<u>10,791</u>
 Total current assets	 \$ 5,556,415	 \$ 5,326,540
CAPITAL ASSETS		
Property, plant and equipment, at cost, less accumulated depreciation of \$418,058 and \$364,650 for 2011 and 2010, respectively	<u>1,835,881</u>	<u>1,678,542</u>
 Total assets	 <u>\$ 7,392,296</u>	 <u>\$ 7,005,082</u>
 LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 137,424	\$ 164,531
Accrued liabilities	<u>53,335</u>	<u>51,620</u>
 Total current liabilities	 <u>\$ 190,759</u>	 <u>\$ 216,151</u>
 NET ASSETS		
Invested in capital assets net of related debt	\$ 1,835,881	\$ 1,678,542
Unrestricted	<u>5,365,656</u>	<u>5,110,389</u>
 Total net assets	 <u>\$ 7,201,537</u>	 <u>\$ 6,788,931</u>
 Total liabilities and net assets	 <u>\$ 7,392,296</u>	 <u>\$ 7,005,082</u>

See Notes to Financial Statements.

LOWER CAMERON AMBULANCE SERVICE DISTRICT
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Operating revenues:		
Net patient service revenues, net of provision of bad debts of \$22,704 and \$4,836 for 2011 and 2010, respectively	\$ 101,634	\$ 111,103
Other operating revenues	<u>439</u>	<u>197</u>
Total operating revenues	<u>\$ 102,073</u>	<u>\$ 111,300</u>
Operating expenses:		
Salaries and payroll taxes	\$ 758,921	\$ 753,894
Depreciation expense	162,705	79,041
Dispatch services	20,000	20,000
Education and travel	875	7,069
Employee benefits	131,923	129,722
Fuel expense	12,867	7,065
Insurance expense	76,664	51,282
Professional fees	15,815	16,951
Rent	10,560	11,100
Repairs and maintenance	15,166	7,842
Retirement expense	14,070	13,994
Supplies	39,243	43,502
Telephone	12,613	14,243
Utilities	15,778	11,038
Other expenses	<u>14,303</u>	<u>14,344</u>
Total operating expenses	<u>\$ 1,301,503</u>	<u>\$ 1,181,087</u>
Operating loss	<u>\$ (1,199,430)</u>	<u>\$ (1,069,787)</u>
Non-operating revenues (expenses):		
Ad valorem taxes	\$ 1,555,945	\$ 1,423,527
Investment income	45,949	51,686
Non-capital grants	10,521	10,660
Loss on sale of capital assets	<u>(379)</u>	<u>-</u>
Total non-operating revenues (expenses)	<u>\$ 1,612,036</u>	<u>\$ 1,485,873</u>
Excess of revenues over expenses before capital grants	\$ 412,606	\$ 416,086
Capital grants	<u>-</u>	<u>273,062</u>
Increase in net assets	\$ 412,606	\$ 689,148
Net assets beginning of year	<u>6,788,931</u>	<u>6,099,783</u>
Net assets end of year	<u>\$ 7,201,537</u>	<u>\$ 6,788,931</u>

See Notes to Financial Statements.

LOWER CAMERON AMBULANCE SERVICE DISTRICT

STATEMENTS OF CASH FLOWS
Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from and on behalf of patients	\$ 119,807	\$ 87,273
Payments to employees	(757,206)	(751,914)
Payments to suppliers and contractors	(399,293)	(489,987)
Other receipts and payments, net	<u>439</u>	<u>197</u>
Net cash used in operating activities	<u>\$ (1,036,253)</u>	<u>\$ (1,154,431)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Ad valorem taxes	\$ 1,324,033	\$ 1,530,550
Non-capital grants	<u>10,521</u>	<u>10,660</u>
Net cash provided by non-capital financing activities	<u>\$ 1,334,554</u>	<u>\$ 1,541,210</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	\$ (321,972)	\$ (786,685)
Capital grant income	-	471,039
Proceeds from the sale of capital assets	<u>1,549</u>	<u>-</u>
Net cash used in capital and related financing activities	<u>\$ (320,423)</u>	<u>\$ (315,646)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	\$ 48,382	\$ 59,060
Purchase of certificates of deposit, net of renewals	<u>(45,894)</u>	<u>(57,322)</u>
Net cash provided by investing activities	<u>\$ 2,488</u>	<u>\$ 1,738</u>
Net increase (decrease) in cash and cash equivalents	\$ (19,634)	\$ 72,871
Cash and cash equivalents, beginning of year	<u>571,058</u>	<u>498,187</u>
Cash and cash equivalents, end of year	<u>\$ 551,424</u>	<u>\$ 571,058</u>

(continued)

LOWER CAMERON AMBULANCE SERVICE DISTRICT

STATEMENTS OF CASH FLOWS (CONTINUED)
Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating loss	\$ (1,199,430)	\$ (1,069,787)
Adjustment to reconcile operating loss to net cash flows used in operating activities:		
Depreciation	162,705	79,041
Provision for bad debts	22,704	4,836
(Increase) decrease in assets -		
Patient accounts receivable	(4,531)	(28,666)
Prepaid expense	7,667	(6,641)
Inventories	24	525
Increase (decrease) in liabilities -		
Accounts payable	(27,107)	(135,719)
Accrued expenses	<u>1,715</u>	<u>1,980</u>
Net cash used in operating activities	<u>\$ (1,036,253)</u>	<u>\$ (1,154,431)</u>

See Notes to Financial Statements.

LOWER CAMERON AMBULANCE SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Description of Organization and Summary of Significant Accounting Policies

Lower Cameron Ambulance Service District (the "Ambulance District") was established by the Cameron Parish Policy Jury, by virtue of the authority of R.S. 33:9053, et seq. The purpose of the Ambulance District is to provide ambulance services to Lower Cameron Parish. The board is appointed by the Cameron Parish Police Jury. The Ambulance District is a component unit of the Cameron Parish Police Jury. The accompanying financial statements present only the Ambulance District.

The financial statements of the Ambulance District have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") applicable to state and local governments. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting and reporting policies and practices used by the Ambulance District are described below.

Method of accounting:

The Ambulance District's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flows. Property taxes are recognized as revenues in the year they are levied. Grants are recognized as revenue as soon as eligibility requirements imposed by the provider have been met. The Ambulance District's accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:514 and to the guide set forth in the *Louisiana Governmental Audit Guide*, and the *Audit and Accounting Guide - Health Care Organizations*, published by the American Institute of Certified Public Accountants, and standards established by the GASB.

Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents:

For purposes of the statements of cash flows, the Ambulance District considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Under state law, the Ambulance District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana Law or any other state of the United States, or under the laws of the United States.

Trade receivables and allowance for uncollectible accounts:

Trade receivables are carried at the original billed amount less an estimate made for uncollectible accounts based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for uncollectible accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Trade receivables are written-off when deemed uncollectible. Recoveries of trade receivables previously written-off are recorded when received.

LOWER CAMERON AMBULANCE SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

Inventories:

Inventories are valued at the latest invoice price, which approximates the lower of cost (first-in, first-out method) or market.

Capital assets:

Capital assets are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of each class of depreciable assets.

Ambulances	5 years
Building improvements	5 - 10 years
Equipment	5 - 10 years
Building	25 years

Net patient service revenues:

Net patient service revenues are reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Grants and donations:

Revenues from grants and donations (including capital contributions of assets) are recognized when all eligibility requirements, including time requirements, are met. Grants and donations may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as non-operating revenues. Amounts restricted to capital acquisitions are reported after non-operating revenues and expenses.

Operating revenues and expenses:

The Ambulance District's statements of revenues, expenses and changes in net assets distinguishes between operating and non-operating revenues and expenses. Operating revenues result from exchange transactions associated with providing health care services; the Ambulance District's principal activity. Non-exchange revenues, including taxes, grants and contributions received for purposes other than capital asset acquisition, are reported as non-operating revenues. Operating expenses are all expenses incurred to provide health care services, other than financing costs.

Income taxes:

The Ambulance District is a political subdivision and exempt from taxes.

Restricted resources:

When the Ambulance District has both restricted and unrestricted resources available to finance a particular program, it is the Ambulance District's policy to use restricted resources before unrestricted resources.

Risk management:

The Ambulance District is exposed to various risks of loss from tort; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health. Commercial insurance coverage is purchased for claims arising from such matters.

LOWER CAMERON AMBULANCE SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

Environmental matters:

The Ambulance District is subject to laws and regulations relating to the protection of the environment. The Ambulance District's policy is to accrue environmental and cleanup related costs of a non-capital nature when it is both probable that a liability has been incurred and when the amount can be reasonably estimated. Although it is not possible to quantify with any degree of certainty, the potential financial impact of the Ambulance District's continuing compliance efforts, management believes any future remediation or other compliance related costs will not have a material adverse effect on the financial condition or reported results of operations of the Ambulance District. At December 31, 2011, management is not aware of any liability resulting from environmental matters.

Note 2. Net Patient Service Revenues

The Ambulance District has agreements with third-party payors that provide for payments to the Ambulance District at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

• **Medicare** – Covered ambulance services are paid based on a fee schedule.

• **Medicaid** – Covered ambulance services are paid based on a fee schedule.

During the years ended December 31, 2011 and 2010, approximately 26% and 35%, respectively, of the Ambulance District's gross patient services were furnished to Medicare and Medicaid beneficiaries.

The Ambulance District also has entered into payment arrangements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Ambulance District under these agreements includes prospectively determined rates per ambulance trip, discounts on charges, and prospectively determined rates.

The Ambulance District also gives a parish resident discount to any resident of the parish who uses ambulance services. The Ambulance District bills private insurance companies, Medicare or Medicaid, or any other coverage of the patient and accepts this as payment in full from the resident.

Note 3. Bank Deposits and Investments

The Ambulance District's investing is performed in accordance with investment policies complying with state statutes. Funds may be invested in time deposits, money market investment accounts, or certificates of deposit with financial institutions insured by FDIC; direct obligations of the United States Government and its agencies; commercial paper issued by United States Corporations with a rating of A-1 (Moody's) and P-1 (Standard and Poor's) or higher; and government backed mutual trust funds. At December 31, 2011 and 2010, the Ambulance District's funds consisted solely of demand deposits and certificates of deposits. These deposits are stated at cost, which approximates market.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the Ambulance District's deposits may not be returned to it. State law requires collateralization of all deposits with federal depository insurance and other acceptable collateral in specific amounts. The Ambulance District's policy requires that all bank balances be insured or collateralized by the financial institution to pledge their own securities to cover any amount in excess of Federal Depository Insurance Coverage (FDIC). These securities must be pledged in the Ambulance District's name. As of December 31, 2011, \$750,000 of the Ambulance District's deposits was secured from risk by FDIC coverage and \$3,004,636 was collateralized by securities pledged by the financial institutions. At December 31, 2010, \$500,000 of the Ambulance District's deposits

LOWER CAMERON AMBULANCE SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

was secured from risk by FDIC coverage and \$3,214,067 was collateralized by securities pledged by the financial institutions. Accordingly, the Ambulance District had no custodial credit risk related to its deposits at December 31, 2011 and 2010.

Note 4. Accounts Receivable

Patient accounts receivable reported as current assets by the Ambulance District at December 31, 2011 and 2010 consisted of these amounts:

	2011	2010
Receivable from patients and their insurance carriers	\$ 31,333	\$ 23,234
Receivable from Medicare	886	13,759
Receivable from Medicaid	1,457	3,094
Total patient accounts receivable	\$ 33,676	\$ 40,087
Less allowance for uncollectible amounts	(12,758)	(996)
Patient accounts receivable, net	\$ 20,918	\$ 39,091

Note 5. Concentrations of Credit Risk

The Ambulance District grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at December 31, 2011 and 2010 was as follows:

	2011	2010
Medicaid	6 %	7 %
Medicare	4 %	31 %
Other third-party payors/patients	90 %	62 %
	100 %	100 %

Note 6. Ad Valorem Taxes

The Ambulance District's property tax is levied by the parish on the taxable real property in the district in late October of each year. Bills are sent out in November of each year at which time the Ambulance District records the tax revenue, taxes become delinquent on December 31st, and become a lien in the following March. The Ambulance District levied 16.44 mills on properties with assessed values of \$102,283,426 and \$96,347,819, net of homestead values, for the years ended December 31, 2011 and 2010 respectively.

Prior to 2006, protested ad valorem tax receipts were remitted to the Ambulance District and held pending the outcome of the protest lawsuit. If the taxpayer successfully wins the protest lawsuit, the Ambulance District will have to pay the taxpayer the protested tax amount plus interest. At December 31, 2011 and 2010, the amount of protested ad valorem taxes held by the Ambulance District, pending the outcome of protest lawsuits, was \$700,099 and \$703,198, respectively. Since 2006, protested ad valorem receipts are held by the Sheriff pending the outcome of the protest lawsuit. Protested ad valorem receipts collected by the Sheriff and not

LOWER CAMERON AMBULANCE SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

remitted to the Ambulance District have been recognized as revenue and are included in due from other governmental agencies in the balance sheets. At December 31, 2011 and 2010, the amount of protested ad valorem taxes collected by the Sheriff and being held pending the outcome of protest lawsuits was \$66,636 and \$82,665, respectively.

Note 7. Capital Assets

Capital assets additions, retirements, and balances for the years ended December 31, 2011 and 2010 were as follows:

	December 31, 2010	Additions	Retirements	December 31, 2011
Land	\$ 16,000	\$ 60,000	\$ -	\$ 76,000
Equipment	162,037	-	-	162,037
Office equipment	39,656	6,137	-	45,793
Buildings and improvements	1,321,824	-	(3,795)	1,318,029
Construction in progress	-	-	-	-
Ambulances	503,675	255,836	(107,431)	652,080
Total historical cost	<u>\$ 2,043,192</u>	<u>\$ 321,973</u>	<u>\$ (111,226)</u>	<u>\$ 2,253,939</u>
Less accumulated depreciation for:				
Equipment	\$ (53,744)	\$ (25,613)	\$ -	\$ (79,357)
Office equipment	(18,411)	(6,150)	-	(24,561)
Buildings and improvements	(8,705)	(34,593)	1,866	(41,432)
Ambulances	(283,790)	(96,349)	107,431	(272,708)
Total accumulated depreciation	<u>\$ (364,650)</u>	<u>\$ (162,705)</u>	<u>\$ 109,297</u>	<u>\$ (418,058)</u>
Capital assets, net	<u>\$ 1,678,542</u>	<u>\$ 159,268</u>	<u>\$ (1,929)</u>	<u>\$ 1,835,881</u>

	December 31, 2009	Additions	Retirements	December 31, 2010
Land	\$ 16,000	\$ -	\$ -	\$ 16,000
Equipment	77,168	87,955	(3,086)	162,037
Office equipment	23,096	16,560	-	39,656
Buildings and improvements	59,672	1,262,152	-	1,321,824
Construction in progress	579,982	676,010	(1,255,992)	-
Ambulances	503,675	-	-	503,675
Total historical cost	<u>\$ 1,259,593</u>	<u>\$ 2,042,677</u>	<u>\$ (1,259,078)</u>	<u>\$ 2,043,192</u>
Less accumulated depreciation for:				
Equipment	\$ (45,387)	\$ (11,443)	\$ 3,086	\$ (53,744)
Office equipment	(15,586)	(2,825)	-	(18,411)
Buildings and improvements	(5,295)	(3,410)	-	(8,705)
Ambulances	(222,427)	(61,363)	-	(283,790)
Total accumulated depreciation	<u>\$ (288,695)</u>	<u>\$ (79,041)</u>	<u>\$ 3,086</u>	<u>\$ (364,650)</u>
Capital assets, net	<u>\$ 970,898</u>	<u>\$ 1,963,636</u>	<u>\$ (1,255,992)</u>	<u>\$ 1,678,542</u>

LOWER CAMERON AMBULANCE SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

Depreciation expense for the years ended December 31, 2011 and 2010 amounted to \$162,705 and \$79,041, respectively.

Note 8. Compensated Absences

Employees' vacation benefits are recognized in the period earned. Accrued compensated absences at December 31, 2011 and 2010 totaled \$25,382 and \$24,008, respectively, which is included in accrued liabilities on the balance sheets.

Note 9. Simple IRA Plan

The Ambulance District has a Simple IRA Plan covering all eligible employees as of June 2002. Employees can contribute a maximum of \$11,500 for the 2011 and 2010 tax years. The Ambulance District contributes 2% of compensation to each eligible employee's Simple IRA for the year. Total Simple IRA plan expenses for the years ended 2011 and 2010 were \$14,070 and \$13,994, respectively.

SUPPLEMENTARY INFORMATION

LOWER CAMERON AMBULANCE SERVICE DISTRICT

SCHEDULES OF NET PATIENT SERVICE REVENUES
Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Gross patient service revenues	\$ 198,337	\$ 210,081
Less:		
Medicare and Medicaid contractual adjustments	(21,261)	(29,425)
Provision for uncollectible accounts	(22,704)	(4,836)
Parish resident discounts	(41,139)	(50,432)
Insurance and other discounts	<u>(11,599)</u>	<u>(14,285)</u>
Net patient service revenue	<u>\$ 101,634</u>	<u>\$ 111,103</u>

LOWER CAMERON AMBULANCE SERVICE DISTRICT

**SCHEDULES OF BOARD FEES
Years Ended December 31, 2011 and 2010**

Board Members

The Ambulance District's board members did not receive any compensation during the years ended December 31, 2011 and 2010.

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Erma R. Walton, CPA 1988
George A. Lewis, CPA 1992
Geraldine J. Wimberley, CPA 1995
Lawrence A. Cramer, CPA 1999
Ralph Friend, CPA 2002
Donald W. Kelley, CPA 2005
George J. Trappey, III, CPA 2007
Terrel P. Dressel, CPA 2007
Herbert Lemolne II, CPA 2008
Mary T. Miller, CPA 2011

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Commissioners
Lower Cameron Ambulance Service District
Creole, Louisiana

We have audited the basic financial statements of the Lower Cameron Ambulance Service District as of and for the year ended December 31, 2011, and have issued our report thereon dated June 27, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the Lower Cameron Ambulance Service District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Lower Cameron Ambulance Service District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Lower Cameron Ambulance Service District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Lower Cameron Ambulance Service District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Lower Cameron Ambulance Service District's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of findings and responses at 2011-1 to be a material weakness.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified.

Members of American Institute of
Certified Public Accountants
Society of Louisiana Certified
Public Accountants

* A Professional Accounting Corporation

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lower Cameron Ambulance Service District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Lower Cameron Ambulance Service District's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit Lower Cameron Ambulance Service District's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Bernard Poche, Lewis : Bm/L.L.P.

Lafayette, Louisiana
June 27, 2012

LOWER CAMERON AMBULANCE SERVICE DISTRICT

SCHEDULE OF FINDINGS AND RESPONSES

Year Ended December 31, 2011

We have audited the basic financial statements of Lower Cameron Ambulance Service District as of and for the year ended December 31, 2011, and have issued our report thereon dated June 27, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the basic financial statements as of and for the year ended December 31, 2011 resulted in an unqualified opinion.

Section I. Summary of Auditors' Results

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control over financial reporting:

- Material weakness(es) identified?

☒ Yes ☐ No

- Control deficiency(ies) identified that we do not consider to be material material weaknesses

☐ Yes ☒ None reported

Noncompliance material to financial statements noted

☐ Yes ☒ No

Section II. Financial Statement Findings

2011-1 - Segregation of Duties

Finding: The Ambulance District does not have adequate segregation of duties. A system of internal control procedures contemplates a segregation of duties so that no one individual handles a transaction from its inception to its completion. While we recognize the Ambulance District may not be large enough to permit such procedures, it is important that you be aware of this condition. This condition was also included in the 2010 audit as item 2010-1.

Recommendation: Keeping in mind the limited number of personnel to which duties can be assigned; the Ambulance District should continue to monitor assignment of duties to assure as much segregation of duties and responsibility as possible, and the board should review financial information on a timely basis.

Response: The Ambulance District is aware of and evaluated this problem and concluded that it would not be cost beneficial or possible with the limited resources available to create a segregated accounting environment. However, the Ambulance District will continue to monitor this issue and the board will review financial information on a timely basis.

Section III. Federal Award Findings and Questioned Costs

Not applicable.

LOWER CAMERON AMBULANCE SERVICE DISTRICT

SCHEDULE OF PRIOR YEAR FINDINGS

Year Ended December 31, 2011

Section I. Internal Control and Compliance Material to the Financial Statements

2010-1 - Segregation of Duties

Recommendation: Keeping in mind the limited number of personnel to which duties can be assigned; the Ambulance District should continue to monitor assignment of duties to assure as much segregation of duties and responsibility as possible, and the board should review financial information on a timely basis.

Response: NOT RESOLVED - The Ambulance District is aware of and evaluated this problem and concluded that it would not be cost beneficial or possible with the limited resources available to create a segregated accounting environment. However, the Ambulance District will continue to monitor this issue and the board will review financial information on a timely basis. This finding is also included in the audit report for the year ended December 31, 2011 and described in 2011-1.

Section II. Federal Award Findings and Questioned Costs

Not applicable.



Lower Cameron Ambulance Service District

P.O. Box 248 Creole, Louisiana 70632
Tel. 337-542-4926 Fax 337-542-4924
lcad@camtel.net

MANAGEMENT CORRECTIVE ACTION PLAN

June 27, 2012

Legislative Auditor
State of Louisiana
P.O. Box 94397
Baton Rouge, Louisiana 70804-9397

Lower Cameron Ambulance Service District respectfully submits the following corrective action plan for the year ended December 31, 2011.

Name and address of independent public accounting firm:

Broussard, Poche', Lewis & Breaux, L.L.P.
Certified Public Accountants
101 Independence Blvd
Lafayette, Louisiana 70506

Audit Period: January 1, 2011 through December 31, 2011.

The findings from the 2011 schedule of findings and responses are discussed below. The findings are numbered consistently with the numbers assigned in the schedule. Section I of the schedule, Summary of Auditor's Reports, does not include findings and is not addressed.

Section II: Financial Statement Findings

2011-1 - Segregation of Duties

Recommendation: Keeping in mind the limited number of personnel to which duties can be assigned; the Ambulance District should continue to monitor assignment of duties to assure as much segregation of duties and responsibility as possible, and the board should review financial information on a timely basis.

Response: The Ambulance District is aware of and evaluated this problem and concluded that it would not be cost beneficial or possible with the limited resources available to create a segregated accounting environment. However, the Ambulance District will continue to monitor this issue and the board will review financial information on a timely basis.

Responsible party: Byron Broussard, Director

Byron Broussard, Director

LOWER CAMERON AMBULANCE SERVICE DISTRICT